

Wheat Domestic Fundamentals:

- No major price movement was recorded at key spot market as market seems to consolidate any major dip is likely as fresh buying at lower level will support price.
- Supply pressure from government stock is likely to continue and market is likely to trade steady to low. Millers have already fulfilled their immediate requirement through tenders in various states and it will continue to pressurize market in near term. However fresh enquiry from exporters as well as firm international prices may support cash wheat market at lower level. So any major dip is unlikely.
- Indian wheat can fill the gulf of demand and supply in international market and can help global prices to stabilize. In July government has approved 2 million tonnes of wheat export out of which around 1.83 million tonnes was exported and few days ago government has now allowed 2.5 million tonnes of wheat export. PSU's has got bids at par and over CBOT future price and this trend is expected in days ahead.
- In a latest development, the Government has rejected a top food grain pricing panel's (CACP) recommendation of keeping wheat MSP unchanged at previous year's level. The Government has asked the Commission for Agricultural Costs and Prices (CACP) to rework the minimum support price (MSP) of wheat for 2012-13 keeping in mind the rise of cost of inputs such as fertilizer and diesel.

International Market Update:

- Indonesia the largest wheat importer in South East Asia has become the first nation to purchase more than 4 million tonnes of wheat in a year. According to analyst Australia has 70% market share in Indonesia.
- Russian Winter wheat crop might be affected by coldest winters in 20 years as it might affect wheat crop which was already affected by dry weather.
- Indonesia has imposed 20% tariff on wheat flour import for next 200 days to protect its domestic flour millers from foreign imports in to Indonesia. Indonesia is the largest South East Asia importer, importing about 6 million tonnes of Wheat every year. Turkey is the largest wheat flour exporter having about 60% market share in wheat flour imports.
- According to the reports Ukraine might 2013 harvest winter crops on the area of 8.1 million hectares. As of now 92% of crop is in good and satisfactory condition. This was facilitated by the weather conditions prevailing in the majority of regions of Ukraine.

Domestic market Outlook: We expect wheat Cash and future market to trade steady to weak due to increased supply under OMSS-D bulk users will restrict uptrend.

NCDEX Wheat Futures									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Dec-12	-1	1,606	1,613	1,597	1,612	810	-4,600	6,050	-570
Jan-13	-6	1,599	1,600	1,590	1,592	2,880	-3,520	14,110	-390
Feb-13	-4	1,581	1,586	1,578	1,581	430	-240	3,990	0
Mar-13	-1	1,483	1,485	1,483	1,485	20	-50	310	0

Spread	Dec-12	Jan-13	Feb-13	Mar-13
Spot	-32			
Dec-12		-20		
Jan-13			-11	
Feb-13				-96

Stocks	Demat	In- Process	Total	FED
	5/12/2012	5/12/2012	5/12/2012	3/12/2012
Delhi	-	-	-	-
Itarsi	10	0	10	10
Kanpur	-	-	-	-
Kota	3757	0	3757	3757

CBOT Wheat Futures: Date: 05.12.2012

Contract	Open	High	Low	Close	+/-
Dec-12	840.25	845.00	837.75	842.25	+3.75
Mar-13	856.50	863.50	852.50	860.00	+3.50
May-13	865.50	871.75	861.75	868.50	+3.25
Jul-13	868.00	872.75	862.25	869.50	+3.25
Sep-13	875.25	880.75	871.25	877.75	+3.00

Wheat Daily prices and Arrival On 06.12.2012

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			12/6/2012	12/5/2012	
Delhi					
	Lawrence Road	Mill Quality	1580	1575	5
	Nazafgarh	Mill Delivery Loose	1525	-	-
	Narella	Mill Delivery Loose	1535	-	-
Gujarat	Rajkot	Mill Delivery	1700	1700	Unch
	Ahmedabad	Mill Delivery	1715	1720	-5
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	1700	1700	Unch
	Indore	Mill Delievery	1590	1590	Unch
Rajasthan	Kota	Mill Delivery	1580	1540	40
U.P.	Kanpur	Mill Delivery	1550	1550	Unch
Punjab	Khanna	Mill Quality Loose	1450	1450	Unch
Haryana	Sirsa	Mill Delivery loose	1530	1540	-10
	Palwal	Mill Quality Loose	-	-	-
	Hodal	Mill Quality loose	1450	1450	Unch
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality	-	-	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1700	1700	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1700	1700	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			12/6/2012	12/5/2012	
Delhi					
	Lawrence Road	Mill Quality	2500	3000	-500
	Nazafgarh	Mill Delivery Loose	200	-	-
	Narella	Mill Delivery Loose	200	-	-
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	4000	4000	Unch
U.P.	Kanpur	Mill Delivery	500	600	-100
Punjab	Khanna	Mill Quality Loose	500	700	-200
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Palwal	Mill Quality Loose	-	-	-
	Hodal	Mill Delivery loose	10	20	-10
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Delivery Loose	-	-	-

Wheat Products Delhi	12/6/2012	12/5/2012	Change
Atta (50kg) Ordinary	885	885	Unch
Maida Grade 1 (90kg)	1878	1878	Unch
Maida Grade 1 (50KG)	1025	1025	Unch
Suji (50kg)	1100	1100	Unch
Chokar (50 kg)	658	663	-5
Chokar (34 kg)	464	467	-3
Chakki Atta (50kg)	905	905	Unch
Chakki Atta (50kg) Special	910	910	Unch
Chakki Atta (90kg) Superfine	1700	1700	Unch
Chakki Atta (50kg) Superfine	930	930	Unch

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